

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF INDIANA
NEW ALBANY DIVISION

IN RE:)	
)	
EASTERN LIVESTOCK CO., LLC,)	Case No. 10-93904-BHL-11
)	
Debtor.)	
_____)	
JAMES A. KNAUER, CHAPTER 11)	
TRUSTEE OF EASTERN LIVESTOCK CO.,)	
LLC)	
)	
Plaintiff,)	Adv. Proc. No.
)	
v.)	
)	
ANIMAL PROFILING INTERNATIONAL, INC.)	
a Delaware Corporation,)	
)	
Defendant.)	

COMPLAINT ON PROMISSORY NOTE

James A. Knauer, as Chapter 11 Trustee for Eastern Livestock Co., LLC, by counsel, for his complaint against Animal Profiling International, Inc. ("API"), states as follows:

Jurisdiction and Parties

1. The above-captioned adversary proceeding (the "Adversary Proceeding") arises in and is related to the above-captioned bankruptcy case (the "Chapter 11 Case"), which is currently pending under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of Indiana, New Albany Division (the "Court").

2. This Adversary Proceeding is brought pursuant to Rule 7001 of the Federal Rules of Bankruptcy Procedure.

3. This Court has jurisdiction over the subject matter of this Adversary Proceeding pursuant to 28 U.S.C. §§ 157 and 1334.

4. This Adversary Proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b), (e), (f), and (h).

5. Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409(b).

6. Eastern Livestock Co., LLC ("ELC") was one of the largest cattle dealers in the United States, with operations and assets located in at least eleven states. ELC was headquartered in New Albany, Indiana, with branch locations across several states.

7. Certain petitioning creditors commenced the Chapter 11 Case on December 6, 2010, by filing an involuntary petition for relief under the Bankruptcy Code. The Bankruptcy Court entered the Order For Relief in An Involuntary Case and Order to Complete Filing on December 28, 2010.

8. On December 28, 2010, James A. Knauer ("Plaintiff" or "Trustee") was appointed as the Chapter 11 Trustee for ELC.

9. API ("Obligor") is a corporation organized under Delaware law and conducts business in the State of Indiana.

10. Obligor is a "person" as defined in 11 U.S.C. § 101(41).

Promissory Note

11. On or about June 10, 2006, the Obligor executed and delivered to ELC an Unsecured Convertible Promissory Note ("Note") whereby Obligor promised to pay to ELC the original principal sum of \$50,000.00 with interest thereon from the date of the

advance at the rate of ten percent (10%) per annum with default interest at the rate of fifteen percent (15%) per annum. A true and accurate copy of the Note is attached hereto as Exhibit "A".

12. In consideration for the execution and delivery of the Note, ELC loaned Obligor the sum of \$50,000.00 on or about June 23, 2006.

13. The Note matured upon the earlier of June 10, 2007 or the date on which the Obligor received equity financing of at least \$1,000,000.00.

14. The Trustee is entitled to enforce the payment of the Note on behalf of the bankruptcy estate of ELC.

Demand

15. The Note matured on June 10, 2007, and the Trustee hereby demands payment of the Note with interest.

16. Pursuant to the demand, the Note has matured and the entire Note Balance (as defined below) is immediately due and payable.

17. As of November 29, 2012, the amount due and owing to ELC under the Note is as follows:

Current Principal:	\$50,000.00
Accrued interest from 06/24/2006 to 06/10/2007:	\$ 4,808.22
Accrued interest from 06/11/2007 to 11/29/2012:	\$41,054.79
TOTAL DUE:	\$95,863.01

plus all interest accruing after November 29, 2012, and all expenses and attorneys' fees incurred by the Trustee (the "Note Balance").

18. The Obligor is in default of payment of the Note for failure to pay the monies owed to ELC, as required by the Note, on or before June 10, 2007.

19. The Trustee demands immediate payment in full.

20. The Obligor has failed or neglected to pay the indebtedness as evidenced by the Note.

21. As a result of the Obligor's default, ELC has suffered damages.

THEREFORE, James A. Knauer, Trustee of Eastern Livestock, requests that this Court:

A. Enter judgment against Animal Profiling International, Inc. in the amount of the Note Balance of \$95,863.01 as of November 29, 2012, plus all additional accrued and accruing interest, charges and other fees and expenses, all as provided for under the Note;

B. Award the Trustee costs and attorneys' fees as provided in the Note and by law; and

C. Grant the Trustee all further relief to which he may be entitled.

Respectfully submitted,

KROGER, GARDIS & REGAS, LLP

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